From: Talking Points AM
To: Michael F. Glavin
Subject: Uneasy future for senior rest homes. Nissan"s Ghosn out after misconduct charges. Bridge over calm waters.
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Welcome to Talking Points AM for Monday, Nov. 19. It's not a typical slow Monday. Here's what's popping in business.

AM Headlines

- **Nissan to fire Ghosn over financial misconduct allegations:** Carmaker alleges its chairman used company money for personal use and committed other serious acts of misconduct. (Reuters)

- **Money managers squeezed by investor caution:** Firms rein in everything from pay to jobs to travel as they try to sustain margins in the face of heightened competition. (WSJ)
- **Bloomberg gives $1.8b to Johns Hopkins:** The donation from the billionaire and potential 2020 presidential candidate, the largest individual gift to one university, will allow Hopkins to select applicants without considering their ability to pay. (NPR)
- **China and US yield no ground at trade summit:** President Xi Jinping and Vice President Mike Pence both made their cases to global leaders -- then they dug in and refused to compromise. (NYT)
- **Florida sues big drug store chains over opioid sales:** The state attorney general is suing the nation's two largest drugstore chains, Walgreens and CVS, alleging they added to the state and national opioid crisis by overselling painkillers and not taking precautions to stop illegal sales. (AP)
- **US stocks set for slightly higher open:** Futures were slightly lower but still indicating a higher start to the trading day. (CNBC)

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Now we return you to our regular programming.

Off the Top

A senior moment: They are a holdover from a different era, a residential option for "old people" that has been slowly falling out of favor since the advent of Medicare and Medicaid in the 1960s. They are called **rest homes**, not to be confused with nursing homes, and their ranks in Massachusetts are thinning, displacing residents with few other options, the Globe's Robert Weisman reports. Some 100 rest homes have closed in the past two decades, and while 73 still operate across the state, **whether they can survive is an open question.**

- Rob explains that rest homes provide room and board along with some services, such as dispensing medications and offering support for residents with bipolar disorder, schizophrenia, or traumatic brain injures. **Nursing homes** provide more intensive medical care. And **assisted-living developments**, which are typically newer, offer more independence but cater mostly to wealthier seniors who can afford higher rents.
- But as new assisted-living complexes have opened, they've left the rest homes with a majority of residents on public assistance. At the same time, more resources have been funneled to helping older residents stay in their homes. As a result, the number of beds at Massachusetts rest homes has fallen 57 percent, from 7,000 to 3,000, since 1998.
- The state is trying to keep rest homes viable by **boosting reimbursement rates** for care. "But that rate is still less than half of the daily per-patient rate for nursing homes, which receive a federal funding match, and many of which are owned by chains that have more clout on Beacon Hill," Rob writes. "Most rest homes continue to be independently operated by small businesses, nonprofits, or religious groups."

"The state has been unwilling to adjust rates for the kinds of quality institutions that serve people who aren't rich," said state Senator Pat Jehlen. "We need affordable housing for low-income people and people with disabilities." (Boston Globe)

JONATHAN WIGGS/GLOBE STAFF

Brian Lang (center), president of United Here Local 26, discusses new contract with Marriott in Boston on Saturday.

Executive Summary

Check-in time for hotel workers: It's back to work on Wednesday for 1,500 striking employees at seven **Marriott** hotels in Boston after members of **Unite Here Local 26** approved a new contract with the chain. The union said over the weekend that it would hold back details of the new agreement until 5,000 Marriott workers who are still on strike in San Francisco and Hawaii settle their contracts. The Boston union said the new contract includes **higher wages** and gives employees **enough hours** to make a viable living. It also

contains better **sexual harassment protections** for women and **paid parental leave.**

- Local 26, whose members walked off the job on Oct.3, will use the Marriott contract as a basis for negotiations with **the rest of the unionized hotels in the Boston area** -- there are 32 in all -- a few of whom have already said they would agree to the same terms. (Boston Globe)

But still out in the cold: **National Grid** gas workers, who were locked out by the company in June. Despite pressure from local and state officials, the company has not found a way to get 1,250 union employees back on the job even though they agreed to work under the expired contract.

Slow start: Massachusetts is a world leader in health care and biotech, with a ready pool of highly educated engineers and deep-pocketed venture capitalists to provide the talent and money needed to thrive. So there is no reason we shouldn't be a force to be reckoned with in digital health: using software and networks to link consumers with doctors, hospitals, and insurers. But in the nearly three years since the **Baker administration** and a group of powerful business leaders launched an effort to make the state a digital health hub, progress has been slow, writes Globe tech correspondent Scott Kirsner. Scott took a look at the work done so far, believes we have the right pieces in place, but says we are **lagging behind Silicon Valley**:

- "What's missing? Marketing. As usual, we expect people outside the region to be aware of what's going on here, because we know what's going on and we talk to each other about it. But effective marketing is about communicating to people who aren't yet aware. **The Massachusetts Digital Health Council** includes plenty of CEOs, chief operating officers, chief information officers, and chief medical officers. But not one chief marketing officer. Building buzz may seem superficial. But it's a big part of attracting the talent, money, and events that help an ecosystem achieve dominance."

You can read Scott's full assessment here.

An apple a day but a pill a week: There is medical research that finds more people stick with their medication when they only have to take it once a week

rather than every day. **Lyndra**, a Watertown biotech, tested that theory with its long-acting version of a drug that's approved to treat Alzheimer's. Lyndra's team was hoping that patients taking the single, long-acting pill would show about the same clinical characteristics as people who took a traditional pill every day. The data showed that it did, but the company will still have to do more research before drug makers can start to use its technology commercially. (STAT)

Changing of the tourism guard: The Greater Boston Convention & Visitors Bureau's board has picked Rhode Island tourism honcho **Martha Sheridan** to be its new chief executive, succeeding longtime chief **Pat Moscaritolo** in 2019. Sheridan will join the Boston tourism bureau in January as CEO-elect from the Providence Warwick Convention & Visitors Bureau, which she has run since 2006, and officially take over when Moscaritolo retires on Feb. 14 after nearly three decades in the job. (Boston Globe)

Quick action needed: Last week, after two months of work, **the National Transportation Safety Board** issued a set of safety recommendations stemming from its investigation of the Merrimack Valley gas explosions. Most of its findings are directed at **NiSource**, the parent company of **Columbia Gas**. But in an editorial, the Globe says one of the board's recommendations is for Beacon Hill: "The Commonwealth should require that all utilities -- not just Columbia Gas -- have a professional engineer review utility work plans in the future. Professional engineers hold a state license and receive years of training: If one had reviewed Columbia Gas's plans that day, the NTSB said, he or she would 'likely' would have flagged the safety lapses that lead to the explosions." Read the full editorial here.

Not your typical desk job: Michael Botelho wouldn't want any other gig, even when sometimes it's Stephen-King-movie scary (like during overnight winter storms). He is the tender who operates the short, 40-foot drawbridge that allows boats to pass from the blue expanse of Vineyard Sound into the protected harbor of **Eel Pond**. What's that like? There is free fish, and a constant stream of question-asking tourists. The Globe's Michael Levenson has the story here.

Watch List

- Post-market earnings: Brooks Automation, Intuit, Nuance Communications

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That's it for now. We'll be back at the end of the business day with Jon Chesto and the Talking Points PM edition. You can reach me at larry.edelman@globe.com and follow me on Twitter @GlobeNewsEd. And if you're not signed up for the PM edition, you can do so here.

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